

AMENDED IN SENATE MAY 19, 2014

AMENDED IN SENATE MAY 6, 2014

Senate Concurrent Resolution

No. 108

**Introduced by Senators Evans and Hueso
(Coauthors: Senators DeSaulnier and Fuller)**

(Coauthors: Assembly Members Chesbro, Dahle, Jones-Sawyer,
V. Manuel Pérez, and Yamada)

April 8, 2014

Senate Concurrent Resolution No. 108—Relative to geothermal awareness.

LEGISLATIVE COUNSEL'S DIGEST

SCR 108, as amended, Evans. *Geothermal Awareness Month and Geothermal Awareness Day*.

This measure would recognize the month of May 2014, as *Geothermal Awareness Month* and May 5, 2014, as *Geothermal Awareness Day*. ~~The measure would urge the State Air Resources Board, the State Energy Resources Conservation and Development Commission, and the Public Utilities Commission to immediately take the necessary actions to ensure the continued viability of California's existing renewable geothermal resources and promote the procurement of new geothermal generation.~~

Fiscal committee: ~~yes-no~~.

- 1 WHEREAS, California contains the largest amount of
- 2 geothermal generating capacity in the United States due to its
- 3 location on the Pacific "Ring of Fire" and the tectonic plate
- 4 junctions; and
- 5 WHEREAS, There are 25 Known Geothermal Resource Areas
- 6 (KGRAs) located in California, 14 of which have temperatures of

1 300 degrees Fahrenheit or greater for commercial geothermal
2 production of electricity; and

3 WHEREAS, There are major geothermal electrical production
4 locations throughout the State of California in the Counties of
5 Sonoma, Lake, Imperial, Inyo, and Mono; and

6 WHEREAS, California currently has 2,565.5 megawatts of
7 installed electric generation capacity from geothermal resources
8 with an additional 4,000 megawatts of potential for development;
9 and

10 WHEREAS, Geothermal energy is a reliable baseload renewable
11 energy source that has been commercially operating in California
12 since 1960 at the Geysers, the world's most developed geothermal
13 resource area, which has been providing Californians with clean,
14 reliable, and affordable electricity for more than 50 years; and

15 WHEREAS, Geothermal energy produces electricity 24 hours
16 a day, seven days a week with a high availability record and is
17 important to balance the needs of the state's transmission grid
18 system; and

19 WHEREAS, Geothermal energy is a clean renewable energy
20 resource. The operation of the Geysers helps avoid the emissions
21 of 2.4 million tons of carbon dioxide, which is equivalent to
22 greenhouse gas emissions from more than 432,000 cars being taken
23 off the road, that would otherwise be emitted by fossil fuel plants
24 to meet baseload energy needs; and

25 WHEREAS, In comparison to other existing renewable
26 technologies, geothermal energy has many unique benefits,
27 including consistent, predictable production, a relatively small
28 land footprint, and low integration costs; and

29 WHEREAS, Imperial County's Salton Sea Known Geothermal
30 Resource Area is considered to have a significant near-term growth
31 opportunity of over 2,000 megawatts of electric generation from
32 additional geothermal resource development and additional
33 geothermal resource development opportunities exist in the
34 Counties of Sonoma, Modoc, Mono, and Lake; and

35 WHEREAS, The geothermal industry is a major employer in
36 the local communities where projects are located, providing a
37 diverse range of full-time employment opportunities as well as
38 contractor jobs throughout all phases of development and operation;
39 and

1 WHEREAS, Fully developing Imperial County's Salton Sea
2 Known Geothermal Resource Area could produce 5,214
3 construction jobs, and up to 1,093 long-term operating and
4 maintenance jobs, substantially improving the economy of one of
5 the most impoverished counties in the state, where over 22 percent
6 of the population is unemployed; and

7 WHEREAS, Construction of the two proposed projects in
8 Sonoma County is expected to require about 900,000 hours of
9 labor by 190 construction workers, as well as hundreds of millions
10 of dollars in materials, supplies, and services during construction.
11 This new construction would result in an estimated \$12 million in
12 one-time sales tax revenue, \$7 million in new annual property tax
13 revenues, and millions of dollars in additional royalties paid to
14 state, federal, and private leaseholders. Once operational, the new
15 plants could create up to 19 full-time jobs; and

16 WHEREAS, Geothermal power contributes to the tax revenue
17 in local communities, representing 10 percent of all property tax
18 revenue in Imperial County and serving as the largest property
19 taxpayers in the Counties of Lake, Sonoma, and Inyo; and

20 WHEREAS, Geothermal development, from exploration through
21 construction, spurs local economic growth through sales tax
22 revenues, materials and supplies purchase, and purchase of other
23 associated goods and services; and

24 WHEREAS, California has one of the most ambitious renewable
25 portfolio standards (RPS) in the country with a mandate to procure
26 33 percent of energy from renewable sources by 2020, and
27 geothermal energy is a major contributor to achieving this goal;
28 and

29 WHEREAS, California is on course to meet the near-term 2020
30 greenhouse gas emissions reduction target under the California
31 Global Warming Solutions Act of 2006 (Division 25.5
32 (commencing with Section 38500) of the Health and Safety Code),
33 but more emissions reductions from the use of clean energy like
34 geothermal and other technological innovations will be needed to
35 maintain and make further reductions in carbon emissions; and

36 WHEREAS, Geothermal energy is essential and complimentary
37 to California's environmental and economic policies, yet new fully
38 permitted geothermal projects have failed to keep pace with the
39 procurement of other renewable resources; and

1 WHEREAS, According to the State Air Resources Board, the
2 State Energy Resources Conservation and Development
3 Commission, and the Public Utilities Commission, existing
4 geothermal generation production is expected to drop significantly
5 by 2020, a result of renewable procurement policies that have
6 failed to fully capture the benefits of geothermal generation and
7 the costs associated with other renewable technologies; and

8 WHEREAS, A diverse renewable energy portfolio fits with
9 California's energy demand profile and lowers costs; and

10 WHEREAS, The preservation of California's existing
11 geothermal generation and the development of new geothermal
12 generation could facilitate the achievement of the state's post-2020
13 energy and environmental goals; now, therefore, be it

14 *Resolved by the Senate of the State of California, the Assembly*
15 *thereof concurring*, That the Legislature recognizes the month of
16 May 2014 as Geothermal Awareness Month to raise awareness of
17 the significant contributions geothermal energy makes to
18 California's Renewable Portfolio Standard and towards meeting
19 the state's environmental goals to reduce greenhouse gas emissions;
20 and be it further

21 *Resolved*, That the Legislature recognizes May 5, 2014, as
22 Geothermal Awareness Day in California, and urges all citizens
23 to show their support on that day by learning more about
24 geothermal energy in California and supporting public events
25 planned by the geothermal industry; and be it further

26 *Resolved*, That the Legislature ~~urges the State Air Resources~~
27 ~~Board, the State Energy Resources Conservation and Development~~
28 ~~Commission, and the Public Utilities Commission to immediately~~
29 ~~take the necessary actions to ensure the continued viability of~~
30 ~~California's existing renewable~~ *considers* geothermal resources
31 ~~and promote the procurement of new geothermal generation;~~
32 *important to California's future and recognizes the environmental*
33 *and economic values of existing and future geothermal energy for*
34 *the state and local communities*; and be it further

35 *Resolved*, That the Secretary of the Senate transmit copies of
36 this resolution to the Governor, the members of the Public Utilities
37 Commission, the State Energy Resources Conservation and
38 Development Commission, the Independent System Operator, the

- 1 State Air Resources Board, and to the author for appropriate
- 2 distribution.

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